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LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS

DEPARTMENT OF HEALTH AND HOSPITALS

A COMPONENT UNIT OF THE

STATE OF LOUISIANA

FOR THE FISCAL YEAR ENDED

JUNE 30, 2008

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 10/15/08

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INDEPENDENT AUDITORS' REPORT

Board Members of
Louisiana State Board of Practical Nurse Examiners
Department of Health and Hospitals
State of Louisiana
Metairie, Louisiana

We have audited the accompanying basic financial statements of the Louisiana State Board of Practical Nurse Examiners, a component unit of the State of Louisiana, as of and for the year ended June 30, 2008, as listed in the table of contents. These basic financial statements are the responsibility of the Louisiana State Board of Practical Nurse Examiners' management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Louisiana Governmental Audit Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not make appropriate tests of the data provided to a third party specialist engaged to calculate the costs and obligations relating to other post employment benefits. We were unable to verify the accuracy of the data used in the calculations because the specialist was engaged by another state agency which provided the data for the calculations. We were unable to satisfy ourselves about the annual required contribution, the unfunded actuarially accrued liability and the net other post employment benefit obligation by means of other auditing procedures.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves about the annual required contribution, the unfunded actuarially accrued liability and the net other post employment benefit obligation, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana State Board of Practical Nurse Examiners as of June 30, 2008, and the results of its operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Louisiana State Board of Practical Nurse Examiners
State of Louisiana
August 29, 2008
Page 2

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2008, on our consideration of the Louisiana State Board of Practical Nurse Examiners' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis, Budgetary Comparison Schedule, and Schedule of Funding Progress of OPEB Plan as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of expressing an opinion on the basic financial statements taken as a whole. All other accompanying financial information listed as supplementary information, or other supplementary information, in the table of contents is presented to comply with the requirements issued by the State of Louisiana, and is not a required part of the financial statements of the Louisiana State Board of Practical Nurse Examiners. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

August 29, 2008



Certified Public Accountants

MANAGEMENT'S DISCUSSION AND ANALYSIS

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2008

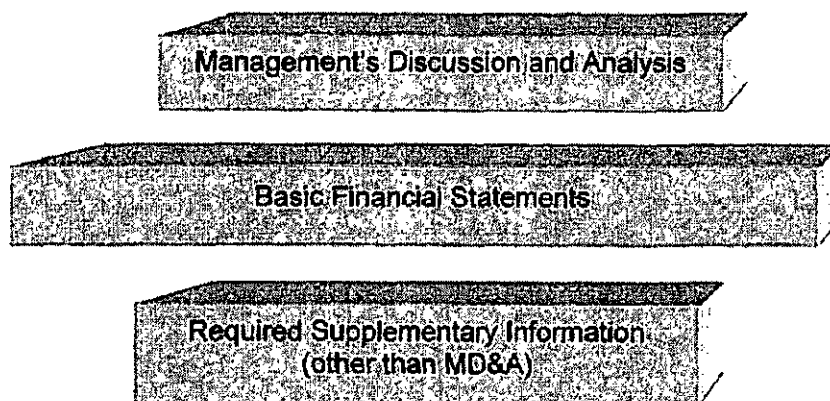
The Management's Discussion and Analysis of the Louisiana State Board of Practical Nurse Examiners' financial performance presents a narrative overview and analysis of the Louisiana State Board of Practical Nurse Examiners' financial activities for the year ended June 30, 2008. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the Board's financial statements, which begin at Statement A.

FINANCIAL HIGHLIGHTS

- ★ The Louisiana State Board of Practical Nurse Examiners' assets exceeded its liabilities at the close of fiscal year 2008 by \$547,114 which represents a 36.4% decrease from last fiscal year. The net assets decreased by \$314,222.
- ★ The Louisiana State Board of Practical Nurse Examiners' revenue increased \$40,240, or 3.55%, and the net results from activities decreased by \$103,264, or 48.95%.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2008

Basic Financial Statements

The basic financial statements present information for the Louisiana State Board of Practical Nurse Examiners as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Balance Sheet; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

The Balance Sheet (Statement A) presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the Louisiana State Board of Practical Nurse Examiners is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (Statement B) presents information showing how the Louisiana State Board of Practical Nurse Examiners' assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows (Statement D) presents information showing how the Louisiana State Board of Practical Nurse Examiners' cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income(loss) to net cash provided(used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets
As of June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Current and other assets	\$ 747,367	\$ 968,988
Capital assets	<u>74,888</u>	<u>77,037</u>
Total assets	<u>822,255</u>	<u>1,046,025</u>
Other liabilities	51,521	69,915
Long-term debt outstanding	<u>223,620</u>	<u>114,774</u>
Total liabilities	<u>275,141</u>	<u>184,689</u>
Net assets:		
Invested in capital assets, net of debt	74,888	77,037
Restricted	-	-
Unrestricted	<u>472,226</u>	<u>784,299</u>
Total net assets	<u>\$ 547,114</u>	<u>\$ 861,336</u>

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2008

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements. Conversely, unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Net assets of the Louisiana State Board of Practical Nurse Examiners' decreased by \$314,222, or 36.4%, from June 30, 2007 to June 30, 2008. One of the major causes of this decrease is the way that fees are established and collected. The major revenue source for the Board is the license fee. The fee was last increased in 2000. Typically, in the first three years following a fee increase, the Board's revenues exceed expenses, and a positive fund balance accumulates. Then, because the Board's expenses increase each year without a corresponding fee increase, the Board begins to draw against the fund balance. The Board's expenses increase as a result of salary increases (4% annually to state employees) and the Board's share of benefits (health insurance and retirement). Other causes include administrative expenses to investigate and prosecute disciplinary cases, as well as the required recording and reporting of other post employment benefits earned during the year ended June 30, 2008.

Statement of Revenues, Expenses, and Changes in Net Assets
For the years ended June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Operating revenues	\$ 1,173,610	\$ 1,133,370
Operating expenses	<u>1,511,860</u>	<u>1,333,287</u>
Operating income (loss)	<u>(338,250)</u>	<u>(199,917)</u>
Non-operating revenues (expenses)	<u>24,028</u>	<u>(11,041)</u>
Income (loss) before transfers	(314,222)	(210,958)
Transfers in	-	-
Transfers out	<u>-</u>	<u>-</u>
Net increase (decrease) in net assets	<u>\$ (314,222)</u>	<u>\$ (210,958)</u>

The Louisiana State Board of Practical Nurse Examiners' total revenues increased by \$40,240 or 3.55%. The total cost of all programs and services increased by \$178,573 or 13.39%.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2008**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2008, the Louisiana State Board of Practical Nurse Examiners had \$74,888 invested in a broad range of capital assets, including furniture, fixtures, computer equipment and computer software. (See Table below)

This amount represents a net decrease (including additions and deductions) of \$2,149, or 2.79%, over last year.

	<u>2008</u>	<u>2007</u>
Land	\$ -	\$ -
Buildings and improvements	-	-
Equipment	63,572	59,251
Computer software	<u>11,316</u>	<u>17,786</u>
Total	<u>\$ 74,888</u>	<u>\$ 77,037</u>

This year's major additions included:

- \$25,669 in office equipment

Debt

The Louisiana State Board of Practical Nurse Examiners had no bonds or notes outstanding at year-end.

The Louisiana State Board of Practical Nurse Examiners had one claim and judgment of \$50,000 at June 30, 2008 for which counsel of the Board has determined that the possibility of damages being assessed is probable with the \$50,000 accrued last year. Other obligations include accrued vacation pay and sick leave of \$64,659 and other post employment benefits payable of \$108,961.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Revenues were approximately \$10,500 over budget due in part to a higher than expected enrollment in and graduation from programs of practical nursing and a higher than expected number of consent agreements accepted by practical nurses to probate their license, resulting in an increase in revenue collected for probation monitoring. Expenditures were more than budget due largely to required recording and reporting of other post employment benefits earned during the year ended June 30, 2008.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2008**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Louisiana State Board of Practical Nurse Examiners' elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees:

- There will be a continued increase in the number of disciplinary cases reported to and prosecuted by the Board. This will increase revenues in fines collected, but will also increase expenses in professional services and salaries paid to legal counsel, court reporting services, hearing officer expenses and staffing.
- The number of graduates from practical nursing programs should increase, and this will increase revenues from examination and licensure fees.
- Salaries and retirement benefits to state employees will increase in accordance with statutory salary increases to eligible employees.

The Louisiana State Board of Practical Nurse Examiners expects that next year's results will improve based on the following:

- A fee increase, effective in fiscal year ending June 30, 2009, will result in revenues exceeding expenditures, and there will be an increase to the fund balance.

CONTACTING THE LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS' MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Louisiana State Board of Practical Nurse Examiners' finances and to show the Louisiana State Board of Practical Nurse Examiners' accountability for the money it receives. If you have questions about this report or need additional financial information, contact Claire D. Glaviano, Executive Director at (504) 838-5791.

BASIC FINANCIAL STATEMENTS

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
STATEMENT OF NET ASSETS
JUNE 30, 2008

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 155,914
Certificates of deposit	582,516
Receivable - interest	<u>8,937</u>
Total current assets	<u>747,367</u>

NONCURRENT ASSETS:

Equipment	167,815
Accumulated depreciation	<u>(92,927)</u>
Total noncurrent assets	<u>74,888</u>
Total assets	<u>822,255</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable	19,651
Payroll deductions and accruals	<u>31,870</u>
Total current liabilities	<u>51,521</u>

NONCURRENT LIABILITIES:

Accrued legal claims	50,000
Compensated absences	64,659
Other post employment benefits	<u>108,961</u>
Total noncurrent liabilities	<u>223,620</u>
Total liabilities	<u>275,141</u>

NET ASSETS:

Investment in capital assets	74,888
Unrestricted	<u>472,226</u>
Total net assets	<u>\$ 547,114</u>

See accompanying NOTES TO FINANCIAL STATEMENTS

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2008

OPERATING REVENUES:

Charges for services -	
Licenses	\$ 1,015,695
Enforcement actions	137,465
Sales of commodities and services	18,524
Other	<u>1,926</u>
 Total operating revenues	 <u>1,173,610</u>

OPERATING EXPENSES:

Personal services -	
Commissioners per diem	15,225
Salaries	698,698
Employee benefits	325,924
Travel	41,640
Operating services	183,004
Supplies	11,204
Professional services	208,347
Depreciation expense	<u>27,818</u>
 Total operating expenses	 <u>1,511,860</u>

Operating (loss)	<u>(338,250)</u>
------------------	------------------

NON-OPERATING REVENUES AND (EXPENSES):

Interest income	<u>24,028</u>
 Total non-operating revenues and (expenses)	 <u>24,028</u>
 Change in net assets	 (314,222)
 Net assets at beginning of year	 <u>861,336</u>
 Net assets at end of year	 <u>\$ 547,114</u>

See accompanying NOTES TO FINANCIAL STATEMENTS

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008

CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES:

Cash received from customers	\$ 1,173,610
Cash payments to employees for services	(931,252)
Cash payments to suppliers for goods and services	<u>(462,338)</u>
Net cash (used for) operating activities	<u>(219,980)</u>

CASH FLOWS FROM (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES:

Acquisition of capital assets	<u>(25,669)</u>
Net cash (used for) capital and related financing activities	<u>(25,669)</u>

CASH FLOWS FROM (USED FOR) INVESTING ACTIVITIES:

Interest on investments	21,388
Purchase of certificates of deposit	(1,095,330)
Maturities of certificates of deposit	<u>1,240,546</u>
Net cash from investing activities	<u>166,604</u>

Net (decrease) in cash and cash equivalents (79,045)

Cash and cash equivalents at beginning of year 234,959

Cash and cash equivalents at end of year \$ 155,914

RECONCILIATION OF OPERATING INCOME TO NET CASH FROM (USED FOR) OPERATING ACTIVITIES:

Operating (loss)	\$ (338,250)
Adjustments to reconcile operating income to net cash:	
Depreciation	27,818
Changes in assets and liabilities:	
Increase (decrease):	
Accounts payable	(18,143)
Payroll liabilities	(251)
Accrued annual leave - non-current	(115)
Pension obligation	<u>108,961</u>
Net cash (used for) operating activities	<u><u>\$ (219,980)</u></u>

See accompanying NOTES TO FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction

The Louisiana State Board of Practical Nurse Examiners (the Board) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 37:962. The Board is under the control of the Department of Health and Hospitals and is a component unit of the State of Louisiana and an integral part of such reporting entity. The Board is composed of thirteen (13) members appointed by the Governor of Louisiana for a term of six years. The Board elects from its members a president, vice president and such other officers as it considers necessary to carry out the duties and functions of the Board.

As authorized by Louisiana Revised Statute 37:914 E., each member of the Board shall receive \$75.00 a day and reimbursement for actual expenses and mileage at the same rate set by the Division of Administration for state employees under the provisions of R.S. 39:231 for each day in actual attendance at board meetings or for representing the board in an official board-approved activity.

The Board is charged with the responsibility of licensing and regulating practical nurses in the State of Louisiana.

The Board's office is located in Metairie, Louisiana, and employs 11 classified and 2 unclassified employees. The Board's operations are funded entirely through annual self-generated revenues.

Financial Reporting Entity

GASB Statement No. 14, "*The Financial Reporting Entity*," has defined the governmental reporting entity to be the State of Louisiana. The Louisiana State Board of Practical Nurse Examiners is considered a component unit of the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the board members, and public service is rendered within the state's boundaries. The accompanying basic financial statements present information only as to the transactions of the Louisiana State Board of Practical Nurse Examiners, a component unit of the State of Louisiana.

Annually the State of Louisiana issues a basic financial statement which includes the activity contained in the accompanying financial statement. The basic financial statement is issued by the Louisiana Division of Administration-Office of Statewide Reporting and Accounting Policy and audited by the Louisiana Legislative Auditor.

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2008

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Net Assets, a Statement of Revenues, Expenses and Changes in Fund Net Assets, and a Statement of Cash Flows for each major proprietary fund.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Assets. The Statement of Revenues, Expenses and Changes in Fund Net Assets presents increases (revenues) and decreases (expenses) in total net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Assets, Liabilities and Net Assets

Cash and Cash Equivalents

For the purpose of the Statement of Net Assets and Statement of Cash Flows, cash and cash equivalents include all demand, savings accounts, and certificates of deposits of the Board with an original maturity of 90 days or less.

Investments

Investments are carried at fair value. Fair value is based on quoted market price.

Receivables

Receivables consist of all revenues earned at year-end and not yet received. Material receivables include accruals for licenses and interest which are accrued when earned.

Prepays

Prepays reflect payments to vendors that benefit future reporting periods and are also reported on the consumption basis.

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2008

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Assets (continued)

Capital Assets

Proprietary fund fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost or donated value of \$1,000 or more are recorded at historical cost, or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of donation.

Depreciation

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Revenues, Expenses, and Changes in Fund Net Assets, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Equipment	5-7 years
Computer Software	3 years

Compensated Absences

Employees of the Board earn and accumulate vacation and sick leave at varying rates, depending upon their years of service. The amount of vacation and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused vacation leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused vacation leave in excess of 300 hours plus unused sick leave are used to compute retirement benefits.

The liability for these compensated absences is recorded as long-term debt in the proprietary fund statements. The current portion of this debt can not be estimated and accordingly, it is reported as a noncurrent liability.

Equity Classifications

Equity is classified as net assets and may be displayed in three components:

Investment in Capital Assets - Consists of capital assets including restricted capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2008

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Assets (continued)

Equity Classifications (continued)

Restricted Net Assets - Consists of net assets with constraints placed on the use by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Assets - All other net assets that do not meet the definition of "restricted" or "investment in capital assets".

Revenues and Expenses

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Board's management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

(2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a state agency, the Board is subject to various state laws and regulations. An analysis of the Board's compliance with significant laws and regulations and demonstration of its stewardship over Board resources follows.

Fund Accounting Requirements

The Board complies with all state laws and regulations requiring the use of separate funds. The Board has no legally required separate funds.

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2008

(2) **STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

Deposits and Investments Laws and Regulations

In accordance with state law, all uninsured deposits of the Board in financial institutions must be secured with acceptable collateral valued at the lower of market or par. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain State of Louisiana or political subdivision debt obligations, or surety bonds. As required by 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the Board must have a written collateral agreement approved by the board of directors or loan committee. As reflected in Note 3, all deposits were fully insured or collateralized.

Investments are limited by R.S. 49:327 and the Board's investment policy.

(3) **DEPOSITS WITH FINANCIAL INSTITUTIONS**

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Louisiana State Board of Practical Nurse Examiners may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the Louisiana State Board of Practical Nurse Examiners may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts or federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows, all highly liquid investments (including restricted assets with a maturity of three months or less when purchased) are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding custodial bank in the form of safekeeping receipts.

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2008

(3) DEPOSITS WITH FINANCIAL INSTITUTIONS

The deposits at June 30, 2008 consisted of the following:

	<u>Cash</u>	<u>Certificates of Deposits</u>	<u>Other (Describe)</u>	<u>Total</u>
Balance per agency books	\$ 155,914	\$ 582,516	\$ _____	\$ 738,430
Deposit in bank accounts per bank	\$ 166,190	\$ 582,480	\$ _____	\$ 748,670
Bank balances of deposits exposed to custodial credit risk:				
a. Deposits not insured and uncollateralized	\$ _____	\$ _____	\$ _____	\$ _____ -
b. Deposits not insured and collateralized with securities held by the pledging institution.	\$ _____	\$ _____	\$ _____	\$ _____ -
c. Deposits not insured and collateralized with securities held by the pledging institution's trust department or agent but not in the entity's name.	\$ 66,190	\$ 582,480	\$ _____	\$ 648,670

(4) ACCOUNTS RECEIVABLE

Receivables detail at June 30, 2008, is as follows:

Accrued interest	\$ 8,937
Total receivable	\$ 8,937

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2008

(5) CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2008, was as follows:

	Balance at June 30, <u>2007</u>	<u>Additions</u>	<u>Disposals</u>	Balance at June 30, <u>2008</u>
Capital assets, being depreciated:				
Equipment	\$ 129,326	\$ 25,669	\$ (6,590)	\$ 148,405
Computer Software	19,410	-	-	19,410
Less: accumulated depreciation	<u>(71,699)</u>	<u>(27,818)</u>	<u>6,590</u>	<u>(92,927)</u>
Net capital assets, being depreciated	<u>\$ 77,037</u>	<u>\$ (2,149)</u>	<u>\$ -</u>	<u>\$ 74,888</u>

(6) LONG-TERM DEBT

As of June 30, 2008, the long-term debt of the Board consists of the following:

Accrued legal claims	\$ 50,000
Accrued other postemployment benefits	108,961
Accrued compensated absences:	
Noncurrent portion	<u>64,659</u>
Total long-term debt	<u>\$ 223,620</u>

Changes in Long Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2008:

<u>Type of Debt</u>	Balance June 30, <u>2007</u>	<u>Additions</u>	<u>Deductions</u>	Balance June 30, <u>2008</u>
Accrued legal claims	\$ 50,000	\$ -	\$ -	\$ 50,000
Accrued other post employment benefits	-	155,800	(46,839)	108,961
Accrued compensated absences	<u>64,774</u>	<u>2,791</u>	<u>(2,906)</u>	<u>64,659</u>
Total long-term debt	<u>\$ 114,774</u>	<u>\$ 158,591</u>	<u>\$ (49,745)</u>	<u>\$ 223,620</u>

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2008

(7) OPERATING LEASE

The Board entered into a 5 year lease for office space. The terms of the lease require payments of \$7,046.75 for sixty months ending on October 31, 2008. As of the report date, the lease has been extended through October 31, 2009 at the current monthly rent.

Future minimum lease payments under operating lease are as follows:

Year Ending June 30	
2009	<u>\$ 28,187</u>
Total minimum lease payments	<u>\$ 28,187</u>

(8) EMPLOYEE PENSION AND OTHER BENEFIT PLANS

Pension Plan

Substantially all of the employees of the Board are members of the Louisiana State Employees Retirement System ("System"), a cost sharing, multiple-employer, defined benefit public employee retirement system (PERS) controlled and administered by a separate board of trustees.

All full time employees are eligible to participate in the System. Benefits vest with ten years of service. At retirement age, employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 month average salary multiplied by their years of credited service.

Vested employees are entitled to a retirement benefit, payable monthly for life at (a) any age with thirty years of service, (b) age 55 with twenty-five years of service, and (c) at age sixty with ten years of service. In addition, vested employees have the option of reduced benefits at any age with twenty years of service. The System also provides death and disability benefits. Benefits are established by state statute. The system issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana State Employees' Retirement System; P. O. Box 44213; Baton Rouge, LA 70804 or by calling (800)256-3000.

Members are required by state statute to contribute at 7.5% of gross salary. The Board is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for fiscal year ended June 30, 2008 was 20.4% of annual covered payroll and 19.1% and 19.1% in fiscal years ended June 30, 2007 and 2006 respectively. The board contribution, to the System for the year ending June 30, 2008, 2007 and 2006 are \$120,407, \$91,490, and \$76,233 respectively, equal to the required contributions for that year.

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2008

(8) EMPLOYEE PENSION AND OTHER BENEFIT PLANS CONTINUED)

Post Employment Health Care and Life Insurance Benefits

Plan Description

Louisiana State Board of Practical Nurse Examiners employees may participate in the State's Other Postemployment Benefit Plan (OPEB Plan), an agent multiple-employer defined benefit OPEB Plan (for FY 2008) that provides medical and life insurance to eligible active employees, retirees and their beneficiaries. The Office of Group Benefits administers the plan. LRS 42:801-883 provides the authority to establish and amend benefit provisions of the plan. The Office of Group Benefits does not issue a publicly available financial report of the OPEB Plan; however, it is included in Louisiana Comprehensive Annual Financial Report (CAFR). You may obtain a copy of the CAFR on the Office of Statewide Reporting and Accounting Policy's website at www.doa.la.gov/osrap.

Funding Policy

The contribution requirements of plan members and the Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their postemployment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to cost of retiree healthcare based on a service schedule. Contribution amounts vary depending on what healthcare provider is selected from the plan and if the member has Medicare coverage. The Office of Group Benefits offers three standard plans for both active and retired employees: the Preferred Provider Organization (PPO) Plan, the Exclusive Provider Organization (EPO) plan and the Health Maintenance Organization (HMO) Plan. Retired employees who have Medicare Part A and Part B and one private fee-for-service (PFFS) plan. Depending upon the plan selected, during fiscal year 2008, employee premiums for a single member receiving benefits range from \$34 to \$92 per month for retiree-only coverage with Medicare or from \$126 to \$170 per month for retiree-only coverage without Medicare. The fiscal year 2008 premiums for a retiree and spouse range from \$69 to \$165 per month for those with Medicare or from \$408 to \$493 per month for those without Medicare.

The Plan is currently financed on a pay as you go basis, with the Board contributing anywhere from \$103 to \$237 per month for retiree-only coverage with Medicare or from \$809 to \$842 per month for retiree-only coverage without Medicare during fiscal year 2008. Also, the Board's contributions range from \$207 to \$427 per month for retiree and spouse with Medicare of \$1,242 to \$1,293 for retiree and spouse without Medicare.

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2008

(8) EMPLOYEE PENSION AND OTHER BENEFIT PLANS (CONTINUED)

Postemployment Health Care and Life Insurance Benefits (continued)

Funding Policy (continued)

OGB also provides eligible retirees Basic Term Life, Basic Plus Supplemental Term Life, Dependent Term Life and Employee Accidental Death and Dismemberment coverage, which is underwritten by the Prudential Insurance Company of America. The total premium is approximately \$1 per thousand dollars of coverage of which the employer pays one half of the premium. Maximum coverage is capped at \$50,000 with a reduction formula of 25% at age 65 and 50% at age 70, with AD&D coverage ceasing at age 70 for retirees.

Effective with the Fiscal Year beginning July 1, 2007, the Board prospectively implemented Government Auditing Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions* (GASB 45).

Annual OPEB Cost

The Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. A level percentage of payroll amortization method, open period, was used. The total ARC for the fiscal year beginning July 1, 2007 is \$155,800 as set forth below.

Normal cost	\$ 84,400
30-year UAL amortization amount	71,400
Interest on the above	-
Annual required contribution (ARC)	<u>\$ 155,800</u>

The following table presents the Board's OPEB Obligation for the fiscal year 2008:

Beginning net OPEB obligation, July 1, 2007	\$ 155,800
Annual required contribution	-
Interest on net OPEB obligation	-
OPEB Cost	155,800
Contributions made (retiree cost)	<u>(46,839)</u>
Change in net OPEB obligation	<u>108,961</u>
Ending net OPEB obligation, June 30, 2008	<u>\$ 108,961</u>

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2008

(8) EMPLOYEE PENSION AND OTHER BENEFIT PLANS (CONTINUED)

Postemployment Health Care and Life Insurance Benefits (continued)

Annual OPEB Cost (continued)

The following table reflects the LA OPEB's Fund annual postemployment benefits cost, percentage of that cost contributed, and the net unfunded postemployment obligation at the end of year (amounts in thousands). Since this fiscal year is the first fiscal year for which GASB 45 is applicable for the Board, no information for prior years is presented.

Utilizing the pay-as-you-go method, the Board contributed 23.2% of the annual post employment benefits costs during 2008.

Funded Status and Funding Progress

As of June 30, 2008, the Board did not have an OPEB trust. A trust was established with an effective date of July 1, 2008, but was not funded at all, has no assets, and hence has funded ratio of zero. Since the plan was not funded, the entire actuarial accrued liability of \$1,712,200 was unfunded.

The funded status of the plan as of July 1, 2007, was as follows:

Actuarial accrued liability (AAL)	\$ 1,712,200
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 1,712,200</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (annual payroll of active employee covered by the plan)	674,281
UAAL as a percentage of covered payroll	254%

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events for into the future. Examples include assumptions about future employment, mortality, and healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2008**

(8) EMPLOYEE PENSION AND OTHER BENEFIT PLANS (CONTINUED)

Postemployment Health Care and Life Insurance Benefits (continued)

Actuarial Methods and Assumptions (continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial method and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2007, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses) and initial annual healthcare cost trend rate of 9.5% and 10.6% for pre-Medicare and Medicare eligibles, respectively, scaling down to ultimate rates of 5% per year. The Board's unfunded actuarial accrued liability is being amortized as a level percentage of payroll on an open basis. The remaining amortization period at June 30, 2007 was thirty years.

Schedule of Funding Progress for OPEB Plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Projected Unit Cost	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
	(a)	(b)	(b-a)	(a/b)	(c)	[(b-a)/c]
6/30/2007	\$ -	\$ 1,712,200	\$ 1,712,200	-	\$ 674,281	254%

Deferred Compensation Plan

Certain employees of the Board participate in the Louisiana Deferred Compensation Plan adopted under the provisions of Internal Revenue Code Section 457. Complete disclosures relating to this statewide plan are available in the financial statements of the State of Louisiana.

(9) RISK MANAGEMENT

The Board is exposed to various risks of loss related to torts; theft of damage to, and destruction of assets; errors and omissions, injuries to employees; employee health and life; and natural disasters.

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2008

(9) RISK MANAGEMENT (CONTINUED)

The Board manages these various risks of loss as follows:

<u>Type of Loss</u>	<u>Method Managed</u>	<u>Risk Retained</u>
Torts, errors and omissions	Purchased insurance with Louisiana Office of Risk Control Management public entity risk pool	None
Injuries to employees (workers' compensation)	Participates in Louisiana Office of Risk Management public entity risk pool	None
Physical property loss and Natural disasters	Purchased insurance with Louisiana Office of Risk Management public entity risk pool	None
Health and Life	Participates in Louisiana Office of Group Benefits Plan	None

Management believes such coverage is sufficient to preclude any significant uninsured losses to the Board. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

Public Entity Risk Pool

The Board participates in the Louisiana State Office of Risk Management (public entity risk pool), which is responsible for negotiating, compromising and settling all claims including all tort claims against the Board.

(10) COMMITMENTS AND CONTINGENCIES

Litigation

The Board was sued for an alleged violation of the Louisiana Open Meetings Law. During the year ended June 30, 2007, the 19th Judicial District Court ruled against the Board and awarded the plaintiff \$48,761 plus legal interest. The Louisiana First Circuit Court of Appeal ruled in an unfavorable manner for the Board. The Board was denied a rehearing from the Louisiana First Circuit Court of Appeal; however, the Board is continuing to vigorously contest the lawsuit and has filed its Application for Writ of Certiorari and/or Review with the Louisiana Supreme Court. The Louisiana State Board of Medical Examiners has filed a Motion for Leave to File an Amicus Curiae Brief in support of the Board's position. On June 25, 2008, counsel were notified by the Clerk of the Louisiana Supreme Court that, "For good cause shown, the Court grants the Louisiana State Board of Medical Examiners leave to file its brief as amicus curiae in support of the write application." The Board has accrued \$50,000 towards this claim at June 30, 2008.

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2008

(10) COMMITMENTS AND CONTINGENCIES (CONTINUED)

Other Matters

The Board is party to routine claims and legal proceedings arising in the ordinary course of business. All such claims are covered by insurance and, in the opinion of management, the outcome of such actions will have no material impact on the Board's financial condition.

(11) COMPENSATION PAID TO BOARD MEMBERS

The schedule of per diem payments to Board Members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. As authorized by Louisiana Revised Statute 32:772, each member of the Board shall be reimbursed when actually in attendance at a board meeting or when required to travel for the official authorized business of the Board, and such reimbursement shall not exceed \$75.00 per day.

<u>Commissioner</u>	<u>Meetings / Official Business</u>	<u>Amount</u>
Chancellor, Ruby	6	\$ 450
Dunn, Gwendolyn	8	600
Fore, Sharron	5	375
Fulmer, Bobby	8	600
Hebert, Kellie	4	300
Juneau, Patricia	143	10,725
LeBlanc, Brian	6	450
McLemore, Carl	3	225
Passantino, Rose	5	375
St. Martin, Eugene	7	525
	<u>195</u>	<u>\$ 14,625</u>

REQUIRED SUPPLEMENTARY INFORMATION

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>(Budgetary</u> <u>Basis)</u>	<u>Variance</u> <u>with Final</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Licenses	\$ 893,315	\$ 1,010,965	\$ 1,015,695	\$ 4,730
Enforcement actions	80,000	128,000	137,465	9,465
Sales of commodities and services	-	-	18,524	18,524
Other	1,000	2,000	1,926	(74)
Interest income	20,200	22,200	24,028	1,828
	<u>994,515</u>	<u>1,163,165</u>	<u>1,197,638</u>	<u>34,473</u>
<u>EXPENDITURES:</u>				
Personal services -				
Commissioners per diem	12,000	17,000	15,225	1,775
Salaries	652,120	704,837	698,698	6,139
Employee benefits	206,462	224,400	325,924	(101,524)
Travel	39,000	47,000	41,640	5,360
Operating services	207,061	201,361	183,004	18,357
Supplies	8,500	11,000	11,204	(204)
Professional services	203,000	225,500	208,347	17,153
Depreciation expense	30,000	30,000	27,818	2,182
	<u>1,358,143</u>	<u>1,461,098</u>	<u>1,511,860</u>	<u>(50,762)</u>
Net change in fund balance	(363,628)	(297,933)	(314,222)	(16,289)
Unreserved fund balance	<u>861,336</u>	<u>861,336</u>	<u>861,336</u>	
Fund balance at end of year	<u>\$ 497,708</u>	<u>\$ 563,403</u>	<u>\$ 547,114</u>	

See Auditors' Report

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
SCHEDULE OF FUNDING PROGRESS FOR OPEB PLAN
FOR THE YEAR ENDED JUNE 30, 2008

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Projected Unit Cost	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
	(a)	(b)	(b-a)	(a/b)	(c)	[(b-a)/c]
6/30/2007	\$ -	\$ 1,712,200	\$ 1,712,200	-	\$ 674,281	254%

See Auditors' Report

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

ERICKSEN KRENTEL & LAPORTE L.L.P.

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*PROFESSIONAL CORPORATION
*LIMITED LIABILITY COMPANY
BENJAMIN J. ERICKSEN - RETIRED
J.V. LECLERE KRENTEL - RETIRED

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board Members of
Louisiana State Board of Practical Nurse Examiners
Department of Health and Hospitals
State of Louisiana
Metairie, Louisiana

We have audited the basic financial statements of Louisiana State Board of Practical Nurse Examiners, a component unit of the State of Louisiana, as of and for the year ended June 30, 2008, and have issued our report thereon dated August 29, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Louisiana State Board of Practical Nurse Examiners' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Louisiana State Boards of Practical Nurse Examiners' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Board's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Board's financial statements that is more than inconsequential will not be prevented or detected by the Board's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Board's internal control.

ERICKSEN KRENTEL & LAPORTE L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Louisiana State Board of Practical Nurse Examiners
Department of Health and Hospitals
State of Louisiana
August 29, 2008

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be a material weakness, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Louisiana State Board of Practical Nurse Examiners' basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management and State of Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

August 29, 2008


Certified Public Accountants

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

We have audited the financial statements of Louisiana State Board of Practical Nurse Examiners as of and for the year ended June 30, 2008, and have issued our report thereon dated August 29, 2008. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2008 resulted in a qualified opinion due to a scope limitation regarding our inability to corroborate the data used by a specialist calculating the OPEB liabilities and related costs.

SECTION I SUMMARY OF AUDITORS' REPORTS

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses ___ Yes X No

Control Deficiency ___ Yes X No

Compliance

Compliance Material to Financial Statements ___ Yes X No

b. Federal Awards **Not Applicable**

Internal Control

Material Weaknesses ___ Yes ___ No

Significant Deficiency ___ Yes ___ No

Type of Opinion on Compliance Unqualified ___ Qualified ___
for Major Programs Disclaimer ___ Adverse ___

Are their findings required to be reported in accordance with Circular A-133, Section .510(a)?

___ Yes ___ No

c. Identification of Major Programs: **Not Applicable**

CFDA Number(s) Name of Federal Program (or Cluster)

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2008**

Dollar threshold used to distinguish Type A and Type B Programs \$ _____

Is the auditee a 'low-risk' auditee, as defined by OMB Circular A-133? ___ Yes ___ No

Not Applicable

SECTION II FINANCIAL STATEMENT FINDINGS

Not applicable

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008**

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENTS**

2007-1 Accrued Annual Leave

An employee made multiple clerical errors on the accrued annual leave timesheet maintained on a monthly basis, which led to the number of hours accrued at year end being overstated.

Management reviews the calculation of each employee's accrued annual leave on a monthly basis and corrects any clerical errors.

This finding has been resolved.

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO
FEDERAL AWARDS**

Not Applicable

SECTION III MANAGEMENT LETTER

2007-1 Handling of Cash Receipts

The cash receipts are routed by the receptionist to the license analyst in charge of issuing the specific license. After issuing the license, the analyst passes the cash receipt to the individual responsible for depositing the cash receipts.

The receptionist, who opens the mail, restrictively endorses each check received for deposit immediately and then routes the cash receipt to the license analyst in charge of issuing the specific license. The other operations will continue as previously stated.

This finding has been resolved.

**OTHER SUPPLEMENTARY INFORMATION
REQUIRED BY LOUISIANA LAW**

BOARD OF PRACTICAL NURSE EXAMINERS
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2008

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TRUE COPY OF ORIGINAL
NOTARY PUBLIC
Patricia S. Libman
Bar # 1798

Schedule Number

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending June 30, 2008

Louisiana State Board of Practical Nurse Examiners
3421 North Causeway Boulevard, Suite 505
Metairie, Louisiana 70002-5791

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

Physical Address:
1201 N. Third Street
Claiborne Building, 6th Floor, Suite 6-130
Baton Rouge, Louisiana 70802

Physical Address:
1600 N. Third Street
Baton Rouge, Louisiana 70802

AFFIDAVIT

Personally came and appeared before the undersigned authority, Claire D. Glaviano, Executive Director of the Louisiana State Board of Practical Nurse Examiners, who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the Louisiana State Board of Practical Nurse Examiners at June 30, 2008 and the results of operations for the year then ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board. Sworn and subscribed before me, this 16th day of August, 2008.

Claire D. Glaviano
Signature of Agency Official

Prepared by: Claire D. Glaviano

Title: Executive Director

Telephone No.: (504) 838-5791

Date: August 19, 2008

Patricia S. Libman
NOTARY PUBLIC
Bar # 1798

**STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
BALANCE SHEET
AS OF JUNE 30, 2008**

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 155,914
Investments	582,516
Receivables (net of allowance for doubtful accounts)(Note U)	8,937
Due from other funds (Note Y)	
Due from federal government	
Inventories	
Prepayments	
Notes receivable	
Other current assets	
Total current assets	747,367

NONCURRENT ASSETS:

Restricted assets (Note F):	
Cash	
Investments	
Receivables	
Notes receivable	
Investments	
Capital assets (net of depreciation)(Note D)	
Land	
Buildings and improvements	
Machinery and equipment	63,572
Computer Software	11,316
Construction in progress	
Other noncurrent assets	
Total noncurrent assets	74,888
Total assets	\$ 822,255

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accruals (Note V)	\$ 51,521
Due to other funds (Note Y)	
Due to federal government	
Deferred revenues	
Amounts held in custody for others	
Other current liabilities	
Current portion of long-term liabilities:	
Contracts payable	
Compensated absences payable (Note K)	
Capital lease obligations (Note J)	
Claims and litigation payable (Note K)	
Notes payable	
Liabilities payable from restricted assets (Note Z)	
Bonds payable	
Other long-term liabilities	
Total current liabilities	51,521

NON-CURRENT LIABILITIES:

Contracts payable	
Compensated absences payable (Note K)	64,659
Capital lease obligations (Note J)	
Claims and litigation payable (Note K)	50,000
Notes payable	
Liabilities payable from restricted assets (Note Z)	
Bonds payable	
Other post employment benefits (Note I)	108,961
Other long-term liabilities	
Total long-term liabilities	223,620
Total liabilities	275,141

NET ASSETS

Invested in capital assets, net of related debt	74,888
Restricted for:	
Capital projects	
Debt service	
Unemployment compensation	
Other specific purposes	
Unrestricted	472,226
Total net assets	547,114
Total liabilities and net assets	\$ 822,255

The accompanying notes are an integral part of this financial statement.

Statement A

**STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2008**

OPERATING REVENUES

Sales of commodities and services	\$ 18,524
Assessments	137,465
Use of money and property	
Licenses, permits, and fees	1,015,695
Other	1,926
Total operating revenues	1,173,610

OPERATING EXPENSES

Cost of sales and services	
Administrative	1,484,042
Depreciation	21,348
Amortization	6,470
Total operating expenses	1,511,860

Operating income(loss)	(338,250)
------------------------	-----------

NON-OPERATING REVENUES(EXPENSES)

State appropriations	
Intergovernmental revenues (expenses)	
Taxes	
Use of money and property	24,028
Gain on disposal of fixed assets	
Loss on disposal of fixed assets	
Federal grants	
Interest expense	
Other revenue	
Other expense	
Total non-operating revenues(expenses)	24,028

Income(loss) before contributions, extraordinary items & transfers	(314,222)
--	-----------

Capital contributions	
Extraordinary item - Loss on impairment of capital assets	
Transfers in	
Transfers out	

Change in net assets	(314,222)
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Total net assets – beginning	861,336
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Total net assets – ending	\$ 547,114
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The accompanying notes are an integral part of this financial statement.

Statement B

STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

	Program Revenues			Net (Expense)
	Charges for	Operating	Capital	Revenue and
<u>Expenses</u>	<u>Services</u>	<u>Grants and</u>	<u>Grants and</u>	<u>Changes in</u>
		<u>Contributions</u>	<u>Contributions</u>	<u>Net Assets</u>
LA St Bd of Prac Nurse	\$ <u>1,511,860</u>	\$ <u>1,171,684</u>	\$ <u></u>	\$ <u>(340,176)</u>
General revenues:				
Taxes				
State appropriations				
Grants and contributions not restricted to specific programs				
Interest				24,028
Miscellaneous				1,926
Special items				
Extraordinary Item - Loss on Impairment of Capital Assets				
Transfers				
Total general revenues, special items, extraordinary losses, and transfers				25,954
Change in net assets				(314,222)
Net assets - beginning				861,336
Net assets - ending				\$ 547,114

**STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008**

Cash flows from operating activities

Cash received from customers	\$ 1,173,610	
Cash payments to suppliers for goods and services	(931,252)	
Cash payments to employees for services	(462,338)	
Payments in lieu of taxes		
Internal activity-payments to other funds		
Claims paid to outsiders		
Other operating revenues(expenses)		
Net cash provided(used) by operating activities		\$ (219,980)

Cash flows from non-capital financing activities

State appropriations		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Operating grants received		
Transfers In		
Transfers Out		
Other		
Net cash provided(used) by non-capital financing activities		-

Cash flows from capital and related financing activities

Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Acquisition/construction of capital assets	(25,669)	
Proceeds from sale of capital assets		
Capital contributions		
Other		
Net cash provided(used) by capital and related financing activities		(25,669)

Cash flows from investing activities

Purchases of investment securities	(1,095,330)	
Proceeds from sale of investment securities	1,240,546	
Interest and dividends earned on investment securities	21,388	
Net cash provided(used) by investing activities		166,604

Net increase(decrease) in cash and cash equivalents

Cash and cash equivalents at beginning of year	234,959	
Cash and cash equivalents at end of year	\$ 155,914	

The accompanying notes are an integral part of this statement.

Statement D

**STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008**

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)		\$ <u>(314,222)</u>
Adjustments to reconcile operating income(loss) to net cash		
Depreciation/amortization	<u>27,818</u>	
Provision for uncollectible accounts	<u></u>	
Other	<u></u>	
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable, net	<u></u>	
(Increase)decrease in due from other funds	<u></u>	
(Increase)decrease in prepayments	<u></u>	
(Increase)decrease in inventories	<u></u>	
(Increase)decrease in other assets	<u></u>	
Increase(decrease) in accounts payables and accruals	<u>(18,394)</u>	
Increase(decrease) in compensated absences payable	<u>(115)</u>	
Increase(decrease) in pension obligation	<u>108,961</u>	
Increase(decrease) in due to other funds	<u></u>	
Increase(decrease) in deferred revenues	<u></u>	
Increase(decrease) in other liabilities	<u></u>	
Net cash provided(used) by operating activities		\$ <u><u>(195,952)</u></u>

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease	\$ <u></u>
Contributions of fixed assets	<u></u>
Purchases of equipment on account	<u></u>
Asset trade-ins	<u></u>
Other (specify)	<u></u>
<u></u>	<u></u>
<u></u>	<u></u>
Total noncash investing, capital, and financing activities:	\$ <u><u>-</u></u>

(Concluded)

The accompanying notes are an integral part of this statement.

Statement D

**STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2008**

INTRODUCTION

The Louisiana State Board of Practical Nurse Examiners was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 37:962. The following is a brief description of the operations of the Louisiana State Board of Practical Nurse Examiners which includes the parish/parishes in which the Louisiana State Board of Practical Nurse Examiners is located: Jefferson Parish.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the Louisiana State Board of Practical Nurse Examiners present information only as to the transactions of the programs of the Louisiana State Board of Practical Nurse Examiners as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Louisiana State Board of Practical Nurse Examiners are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the Louisiana State Board of Practical Nurse Examiners are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Budget Committee, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements include the original appropriation plus subsequent amendments as follows:

STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2008

	<u>APPROPRIATIONS</u>
Original approved budget	\$ <u>1,358,143</u>
Amendments:	
17-Aug-07	<u>158,738</u>
28-Mar-08	<u>(40,000)</u>
27-Jun-08	<u>(15,783)</u>
Final approved budget	\$ <u><u>1,461,098</u></u>

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Louisiana State Board of Practical Nurse Examiners may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the Louisiana State Board of Practical Nurse Examiners may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; savings accounts or shares of savings and loan associations and savings banks, and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows, all highly liquid investments (including restricted assets with a maturity of three months or less when purchased) are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts.

The deposits at June 30, 2007 consisted of the following:

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Other (Describe)</u>	<u>Total</u>
Balance per agency books	\$ <u>155,914</u>	\$ <u>582,516</u>	\$ _____	\$ <u>738,430</u>
Deposits in bank accounts per bank	\$ <u>166,190</u>	\$ <u>582,480</u>	\$ _____	\$ <u>748,670</u>
Bank balances of deposits exposed to custodial credit risk				
a. Deposits not insured and uncollateralized	\$ _____	\$ _____	\$ _____	\$ _____
b. Deposits not insured and collateralized with securities held by the pledging institution.	\$ _____	\$ _____	\$ _____	\$ _____
c. Deposits not insured and collateralized with securities held by the pledging institution's trust department or agent but not in the entity's name.	\$ <u>66,190</u>	\$ <u>582,480</u>	\$ _____	\$ <u>648,670</u>

STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2008

The following is a breakdown by banking institution, program, account number, and amount of the "Deposits in bank accounts per bank" balances shown above:

<u>Banking institution</u>	<u>Program</u>	<u>Amount</u>
1. Whitney National Bank-Certificate of Deposit	Licensing-#2103011347	\$ 109,630
2. Whitney National Bank-Certificate of Deposit	Licensing-#2103140153	101,645
3. Whitney National Bank-Certificate of Deposit	Licensing-#2103049791	100,000
4. Whitney National Bank-Certificate of Deposit	Licensing-#2103112068	168,533
5. Whitney National Bank-Certificate of Deposit	Licensing-#2102913200	102,672
7. Whitney National Bank- Operating Account	Licensing-#0710151977	16,966
8. Whitney National Bank- Savings Account	Licensing-#0710150598	149,224
Total		\$ 748,670

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the Balance Sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the Balance Sheet.

Cash in State Treasury	\$ _____
Petty cash	\$ 25

2. INVESTMENTS

The Louisiana State Board of Practical Nurse Examiners maintains investment accounts as authorized by Louisiana Revised Statute 33:2955.

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured and unregistered, not registered in the name of the entity, and are held either by the counterparty, or the counterparty's trust department or agent but not in the entity's name. Repurchase agreements are not subject to credit risk if the securities underlying the repurchase agreement are exempt from credit risk disclosure. Using the table on the next page, list each type of investment disclosing the total carrying amounts and market values, and any amounts exposed to custodial credit risk.

**STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2008**

	Investments Exposed to Custodial Credit Risk		All Investments Regardless of Custodial Credit Risk Exposure	
	Uninsured, *Unregistered, and Held by Counterparty's Trust Dept. or Agent Not in Entity's Name		Reported Amount Per Balance Sheet	Fair Value
Type of Investment	Uninsured, *Unregistered, and Held by Counterparty			
Repurchase agreements	\$ _____	\$ _____	\$ _____	\$ _____
U.S. Government securities	_____	_____	_____	_____
U.S. Agency Obligations	_____	_____	_____	_____
Common & preferred stock	_____	_____	_____	_____
Commercial paper	_____	_____	_____	_____
Corporate bonds	_____	_____	_____	_____
Other: (identify)	_____	_____	_____	_____
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3. DERIVATIVES

The Board does not invest in derivatives as part of its investment policy

D. CAPITAL ASSETS-INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Louisiana State Board of Practical Nurse Examiners' activities are included on the balance sheet of the Board and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the Board is charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight-line method over the useful lives of the assets.

**STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2008**

	Year ended June 30, 2008					
	Balance 6/30/2007	Prior Period Adjustment	Adjusted Balance 6/30/2007	Additions	Transfers*	Balance 6/30/2008
Capital assets not being depreciated						
Land	\$	\$	\$ --	\$	\$	\$ --
Non-depreciable land improvements			--			--
Capitalized collections			--			--
Construction in progress			--			--
Total capital assets not being depreciated	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Other capital assets						
Furniture, fixtures, and equipment	\$ 129,326	\$	\$ 129,326	\$ 25,669	\$ (6,590)	\$ 148,405
Less accumulated depreciation	(70,075)		(70,075)	(21,348)	6,590	(84,833)
Total furniture, fixtures, and equipment	59,251	--	59,251	4,321	--	63,572
Buildings and improvements			--			--
Less accumulated depreciation			--			--
Total buildings and improvements	--	--	--	--	--	--
Depreciable land improvements			--			--
Less accumulated depreciation			--			--
Total depreciable land improvements	--	--	--	--	--	--
Computer Software	19,410		19,410			19,410
Less accumulated amortization	(1,624)		(1,624)	(6,470)		(8,094)
Total infrastructure	17,786	--	17,786	(6,470)	--	11,316
Total other capital assets	\$ 77,037	\$ --	\$ 77,037	\$ (2,149)	\$ --	\$ 74,888
Capital Asset Summary:						
Capital assets not being depreciated	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Other capital assets, at cost	148,736	--	148,736	25,669	--	167,815
Total cost of capital assets	148,736	--	148,736	25,669	--	167,815
Less accumulated depreciation	(71,699)	--	(71,699)	(27,818)	--	(92,927)
Capital assets, net	\$ 77,037	\$ --	\$ 77,037	\$ (2,149)	\$ --	\$ 74,888

* Should be used only for those completed projects coming out of construction-in-progress to fixed assets; not associated with transfers reported elsewhere in this packet.

E. INVENTORIES

The Louisiana State Board of Practical Nurse Examiners did not maintain inventories at June 30, 2008.

F. RESTRICTED ASSETS

The Louisiana State Board of Practical Nurse Examiners did not have any restricted assets at June 30, 2008.

**STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2008**

G. LEAVE

1. COMPENSATED ABSENCES

The Louisiana State Board of Practical Nurse Examiners has the following policy on annual and sick leave:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations.

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at June 30, 2008 computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$-0-.

H. RETIREMENT SYSTEM

Substantially all of the employees of the Louisiana State Board of Practical Nurse Examiners are members of the Louisiana State Employees Retirement System (LASERS), a cost sharing multiple-employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time Louisiana State Board of Practical Nurse Examiners' employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service.

Vested employees are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after 7/1/2006 have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability benefits and deferred benefit options, within qualifications and amounts defined by statute. Benefits are established or amended by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000.

Members are required by state statute to contribute at 7.5% of gross salary. The Board is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for fiscal year ended June 30, 2008 was 20.4% of annual covered payroll and 19.1% and 19.1% in fiscal years ended June 30, 2007 and 2006 respectively. The board contribution, to the System for the year ending June 30, 2008, 2007 and 2006 are \$120,407, \$91,490, and \$76,233 respectively, equal to the required contributions for that year.

**STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2008**

One employee of the Louisiana State Board of Practical Nurse Examiners is a member of the Teachers' Retirement System of Louisiana (TRSL), a cost-sharing multiple-employer defined benefit pension plan. The TRSL is a statewide public employee retirement system (PERS) which provides pension benefits to employees who meet the legal definition of a "teacher" and is administered and controlled by a separate board of trustees.

All full-time Board employees who qualify as teachers are eligible to participate in the System. Benefits vest with 5 years of service. At retirement age, employees are entitled to annual benefits equal to 2% of 2.5% of final average salary for each year of credited service. Final average salary is based upon the member's highest successive thirty-six months of salary.

Vested employees are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, vested employees have the option of reduced benefits at any age with 20 years of service. The TRSL also provides disability and survivor benefits. Benefits are established or amended by state statute. The TRSL issues an annual publicly available financial report that includes financial statement and required supplementary information for the TRSL. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, LA 70804-9123 or by calling (225) 602-6446.

Members are required by statute to contribute 8% of gross salary, and the Board is required to contribute at an actuarially determined rate as required by Louisiana Revised Statute 11:885. The contribution rate for the fiscal year ended June 30, 2008 was 15.5% of annual covered payroll. The Board's contributions to the System for the year ended June 30, 2008 was \$13,337, equal to the required contribution for the year.

I. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Louisiana State Board of Practical Nurse Examiners employees may participate in the State's Other Postemployment Benefit Plan (OPEB Plan), an agent multiple-employer defined benefit OPEB Plan (for FY 2008) that provides medical and life insurance to eligible active employees, retirees and their beneficiaries. The Office of Group Benefits administers the plan. LRS 42:801-883 provides the authority to establish and amend benefit provisions of the plan. The Office of Group Benefits does not issue a publicly available financial report of the OPEB Plan; however, it is included in Louisiana Comprehensive Annual Financial Report (CAFR). You may obtain a copy of the CAFR on the Office of Statewide Reporting and Accounting Policy's website at www.doa.la.gov/osrap.

The contribution requirements of plan members and the Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their postemployment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to cost of retiree healthcare based on a service schedule. Contribution amounts vary depending on what healthcare provider is selected from the plan and if the member has Medicare coverage. The Office of Group Benefits offers three standard plans for both active and retired employees: the Preferred Provider Organization (PPO) Plan, the Exclusive Provider Organization (EPO) plan and the Health Maintenance Organization (HMO) Plan. Retired employees who have Medicare Part A and Part B and one private fee-for-service (PFFS) plan. Depending upon the plan selected, during fiscal year 2008, employee premiums for a single member receiving benefits range from \$34 to \$92 per month for retiree-only coverage with Medicare or from \$126 to \$170 per month for retiree-only coverage without Medicare. The fiscal year 2008 premiums for a retiree and spouse range from \$69 to \$165 per month for those with Medicare or from \$408 to \$493 per month for those without Medicare.

The Plan is currently financed on a pay as you go basis, with the Board contributing anywhere from \$103 to \$237 per month for retiree-only coverage with Medicare or from \$809 to \$842 per month for retiree-only coverage without Medicare during fiscal year 2008. Also, the Board's contributions range from \$207 to \$427 per month for retiree and spouse with Medicare of \$1,242 to \$1,293 for retiree and spouse without Medicare.

OGB also provides eligible retirees Basic Term Life, Basic Plus Supplemental Term Life, Dependent Term Life and Employee Accidental Death and Dismemberment coverage, which is underwritten by the

STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2008

Prudential Insurance Company of America. The total premium is approximately \$1 per thousand dollars of coverage of which the employer pays one half of the premium. Maximum coverage is capped at \$50,000 with a reduction formula of 25% at age 65 and 50% at age 70, with AD&D coverage ceasing at age 70 for retirees.

Effective with the Fiscal Year beginning July 1, 2007, the Board prospectively implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions* (GASB 45).

The Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. A level percentage of payroll amortization method, open period, was used. The total ARC for the fiscal year beginning July 1, 2007 is \$155,800 as set forth below.

Normal cost	\$ 84,400
30-year UAL amortization amount	71,400
Interest on the above	-
Annual required contribution (ARC)	<u>\$ 155,800</u>

The following table presents the Board's OPEB Obligation for the fiscal year 2008:

Beginning net OPEB obligation, July 1, 2007	\$ 155,800
Annual required contribution	-
Interest on net OPEB obligation	-
OPEB Cost	155,800
Contributions made (retiree cost)	<u>(46,839)</u>
Change in net OPEB obligation	<u>108,961</u>
Ending net OPEB obligation, June 30, 2008	<u>\$ 108,961</u>

The following table reflects the LA OPEB's Fund annual postemployment benefits cost, percentage of that cost contributed, and the net unfunded postemployment obligation at the end of year (amounts in thousands). Since this fiscal year is the first fiscal year for which GASB 45 is applicable for the Board, no information for prior years is presented.

Utilizing the pay-as-you-go method, the Board contributed 23.2% of the annual post employment benefits costs during 2008.

As of June 30, 2008, the Board did not have an OPEB trust. A trust was established with an effective date of July 1, 2008, but was not funded at all, has no assets, and hence has funded ratio of zero. Since the plan was not funded, the entire actuarial accrued liability of \$1,712,200 was unfunded.

The funded status of the plan as of July 1, 2007, was as follows:

Actuarial Accrued liability (AAL)	\$ 1,712,200
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 1,712,200</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (annual payroll of active employee covered by the plan)	674,281
UAAL as a percentage of covered payroll	254%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events for into the future. Examples include

STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2008

assumptions about future employment, mortality, and healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial method and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2007, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses) and initial annual healthcare cost trend rate of 9.5% and 10.6% for pre-Medicare and Medicare eligibles, respectively, scaling down to ultimate rates of 5% per year. The Board's unfunded actuarial accrued liability is being amortized as a level percentage of payroll on an open basis. The remaining amortization period at June 30, 2007 was thirty years.

Required Supplementary Information
Schedule of Funding Progress for OPEB Plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Projected Unit Cost	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
	(a)	(b)	(b-a)	(a/b)	(c)	[(b-a)/c]
6/30/2007	\$ -	\$ 1,712,200	\$ 1,712,200	-	\$ 674,281	254%

J. LEASES

1. OPERATING LEASES

The total payments for operating leases during fiscal year ended June 30, 2007 amounted to \$84,561. A schedule of payments for operating leases follows:

Nature of lease	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014-2018	FY2019-2023
Office Space	\$ 28,187	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 28,187	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2008**

K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the Board for the year ended June 30, 2007:

	<u>Year ended June 30, 2008</u>				
	<u>Balance June 30, 2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2008</u>	<u>Amounts due within one year</u>
Bonds and notes payable:					
Notes payable	\$	\$	\$	\$	\$
Reimbursement contracts payable				--	
Bonds payable				--	
Total notes and bonds	--	--	--	--	--
Other liabilities:					
Contracts payable				--	
Compensated absences payable	64,774	2,791	2,806	64,759	
Capital lease obligations				--	
Claims and litigation	50,000			50,000	
Liabilities payable from restricted assets				--	
Other long-term liabilities-OPEB		155,800	46,839	108,961	
Total other liabilities	114,774	158,591	49,645	223,720	--
Total long-term liabilities	\$ 114,774	\$ 158,591	\$ 49,645	\$ 223,720	\$ --

L. CONTINGENT LIABILITIES

The Board was sued for an alleged violation of the Louisiana Open Meetings Law. During the year ended June 30, 2007, the 19th Judicial District Court ruled against the Board and awarded the plaintiff \$48,761 plus legal interest. The Louisiana First Circuit Court of Appeal ruled in an unfavorable manner for the Board. The Board was denied a rehearing from the Louisiana First Circuit Court of Appeal; however, the Board is continuing to vigorously contest the lawsuit and has filed its Application for Writ of Certiorari and/or Review with the Louisiana Supreme Court. The Louisiana State Board of Medical Examiners has filed a Motion for Leave to File an Amicus Curiae Brief in support of the Board's position. On June 25, 2008, counsel were notified by the Clerk of the Louisiana Supreme Court that, "For good cause shown, the Court grants the Louisiana State Board of Medical Examiners leave to file its brief as amicus curiae in support of the write application."

<u>Date of Action</u>	<u>Description of Litigation and Probable outcome (reasonably possible or probable)</u>	<u>Estimated Settlement Amt. for Claims & Litigation (opinion of legal counsel)</u>	<u>Insurance Coverage</u>
Various	Judith Sandifer v. LSBPNE et al Probable outcome	\$ 50,000	\$ 0
Totals		\$ 50,000	\$ 0

Claims and litigation costs of \$189,836 were incurred in the current year and are reflected in the accompanying financial statements.

**STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2008**

M. RELATED PARTY TRANSACTIONS

The Louisiana State Board of Practical Nurse Examiners did not engage in any related party transactions during the year ended June 30, 2008.

N. ACCOUNTING CHANGES

There were no accounting changes made during the year ended June 30, 2008.

O. IN-KIND CONTRIBUTIONS

The Louisiana State Board of Practical Nurse Examiners did not have any in-kind contributions during the

<u>In-Kind Contributions</u>	<u>Cost/Estimated Cost/Fair Market Value/As Determined by the Grantor</u>
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____

year ended June 30, 2008.

P. DEFEASED ISSUES

The Louisiana State Board of Practical Nurse Examiners did not have any defeased issues of taxable bonds during the year ended June 30, 2008.

Q. COOPERATIVE ENDEAVORS

The Louisiana State Board of Practical Nurse Examiners did not engage in any cooperative endeavors during the year ended June 30, 2008.

R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)

The Louisiana State Board of Practical Nurse Examiners did not engage in any government-mandated nonexchange transactions (grants) during fiscal year 2007-2008.

<u>CFDA Number</u>	<u>Program Name</u>	<u>State Match Percentage</u>	<u>Total Amount of Grant</u>
_____	_____	\$ _____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total government-mandated nonexchange transactions (grants)		\$ _____	_____

STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2008

S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS

At June 30, 2008, the Louisiana State Board of Practical Nurse Examiners was not in violation of any of the Bond Reserve Covenants

T. SHORT-TERM DEBT

The Louisiana State Board of Practical Nurse Examiners has no issues of short-term debt for the year ended June 30, 2008.

U. DISAGGREGATION OF RECEIVABLE BALANCES

Fund (gen. fund, gas tax fund, etc.)	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
Licensing-General Fund	\$	\$	\$	8,937.00	\$ 8,937.00
					-
Gross receivables	\$ -	\$ -	\$ -	\$ 8,937.00	\$ 8,937.00
Less allowance for uncollectible accounts	-	-	-	-	-
Receivables, net	\$ -	\$ -	\$ -	\$ 8,937.00	\$ 8,937.00
Amounts not scheduled for collection during the subsequent year	\$	\$	\$	\$	\$ -

V. DISAGGREGATION OF PAYABLE BALANCES

Payables at June 30, 2008 were as follows:

Fund (gen. fund, gas tax fund, etc.)	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
Licensing-General Fund	\$ 19,651	\$ 31,870	\$	\$	\$ 51,521
					-
Total payables	\$ 19,651	\$ 31,870	\$ -	\$ -	\$ 51,521

W. SUBSEQUENT EVENTS

There were no material events affecting the Louisiana State Board of Practical Nurse Examiners occurring between the close of the fiscal period and issuance of the financial statements.

X. SEGMENT INFORMATION

The Louisiana State Board of Practical Nurse Examiners does not have any activities which would qualify for segment reporting.

**STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2008**

Y. DUE TO/DUE FROM AND TRANSFERS

1. The Board did not have any amounts due from other funds at June 30, 2008.
2. The Board did not have any amounts due to other funds at June 30, 2008.
3. The Board did not have any transfers from other funds for the year ended June 30, 2008.
4. The Board did not have any transfers from other funds for the year ended June 30, 2008.

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS

The Louisiana State Board of Practical Nurse Examiners did not have any liabilities payable from restricted assets at June 30, 2008.

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS

There were no adjustments made to restate beginning net assets for June 30, 2008.

BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB STATEMENT 46)

Of the total net assets reported on Statement A June 30, 2008, there were no assets restricted by enabling legislation

CC. IMPAIRMENT OF CAPITAL ASSETS

There were no capital assets that were considered impaired at June 30, 2008.

DD. EMPLOYEE TERMINATION BENEFITS

Substantially all employees are eligible for termination benefits upon separation from the state. The Board recognizes the cost of providing these benefits as expenditures when paid during the year. For 2008, \$3,911.70 was paid for compensated absences.

The liability for the accrued compensated absences due to voluntary termination benefits payable at June 30, 2008 is \$64,659. This liability consists of fourteen future voluntary terminations. The liability for the accrued involuntary termination benefits payable at June 30, 2008 is \$-0-. This liability consists of -0- involuntary terminations.

**STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2008**

**Schedule 1
STATE OF LOUISIANA
Louisiana State Board of Practical Nurse Examiners
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
For the Year Ended June 30, 2008**

<u>Name</u>	<u>Amount</u>
Chancellor, Ruby R.	\$ 450
Connelley, Roberta	0
Dunn, Gwendolyn	600
Fore, Sharron K.	375
Fulmer, Bobby G.	600
Hebert, Kellie	300
Juneau, Patricia G.	10,725
LeBlanc, Brian	450
McLemore, Carl	225
Passantino, Rose	375
St. Martin, Eugene C.	525
	\$ 14,625

The schedule of per diem payments to Board Members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. As authorized by Louisiana Revised Statute 32:772, each member of the Board shall be reimbursed when actually in attendance at a board meeting or when required to travel for the official authorized business of the Board, and such reimbursement shall not exceed \$75.00 per day.

**STATE OF LOUISIANA
BOARD OF PRACTICAL NURSE EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2008**

**Schedule 2
State of Louisiana
Louisiana State Board of Practical Nurse Examiners
Schedule of Comparison Figures
For the year ended June 30, 2008**

	<u>2007</u>	<u>2006</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues	<u>\$ 1197638</u>	<u>\$ 1172329</u>	<u>\$ 25309</u>	<u>2.11%</u>
Expenses	<u>1511860</u>	<u>1383287</u>	<u>127573</u>	<u>8.50%</u>
2) Capital assets	<u>74888</u>	<u>77037</u>	<u>-2149</u>	<u>-2.87%</u>
Long-term debt	<u>223620</u>	<u>114774</u>	<u>108846</u>	<u>48.671%</u>
Net Assets	<u>547114</u>	<u>861336</u>	<u>-313522</u>	<u>-57.43%</u>
Explanation for change:	<u>_____</u> <u>_____</u> <u>_____</u> <u>_____</u>			

Name of Entity: Louisiana State Board of Practical Nurse Examiners
Schedule 8: Schedule of Expenditures of Federal Programs
FYE June 30, 2008

Basis of Accounting Used to Prepare Schedule
Circle One: Full Accrual Cash Basis

NOTE: If other than cash basis,
please attach description of basis used.

ISIS Agency Number: Not applicable
Preparer: Claire Doody Glaviano

Phone Number: (504) 838-5734

DUNS Number: 94-199-3636

EIN Number: 72-6000794

Federal Grantor	Pass-Through Entity	Program Name/Title and Cluster Name	CFDA or Other Identifying No.	Pass-through Entity's Number	Project Name	Award ID Number	Award Period	Cash Disbursements	Receipts/Issues	Total
Direct Awards: NONE										
Awards from a Pass-Through Entity: NONE										
								\$	\$	\$
								\$	\$	\$
Total								\$	-	-

See Instructions for completing this form beginning on page 2 of the Instructions.

Also, if necessary, a reconciliation of the Schedule 8 to the entity's financial statements is required.

Federal Grantor = the federal agency that provided the federal award to your entity or a pass-through entity.

Pass-Through Entity = the quasi-public agency, local government, other state government, public college or university in another state, et cetera, that provided the federal award to carry out a federal program, if applicable.

Program Name/Title and Cluster Name = the program name from the CFDA catalog; if not available, the name should be taken from the federal award document; the cluster name should come from these instructions if a program falls within a cluster.

CFDA or Other Identifying No. = number presented on the federal award document; if a CFDA number is not available, an other identifying number must be provided along with the 2-digit federal agency prefix, i.e., federal award no., etc.

Pass-Through Entity Number = identifying number assigned by the pass-through entity, if applicable.

Project Name = the name of the grant or project as identified in the accounting records; if the project name is the same as the program, enter SAME.

Award ID = the grant, contract, etc., number that was assigned by the Federal grantor; this number is the number that is used when corresponding with the grantor.

Award Period = the period during which the assistance is available to your entity.

Cash Disbursements = the amount of indirect costs and actual cash disbursements made during the 12 months ended June 30, 2008,

which have or will be funded with Federal funds.

Issues = the dollar value of food stamps, federal commodities, or other nonmonetary assistance issued during the 12 months ended June 30, 2008.

Total = the total amounts in the cash disbursements and issues columns.

Receipts = the receipt of property or the receipt of surplus property.

Name of Entity: Louisiana State Board of Practical Nurse Examiners
Schedule 8: Schedule of Expenditures of Federal Programs
FYE June 30, 2008

Preparer: Claire Doody Glaviano

Phone Number: (504)838-5734

Loan Information (If applicable):

DUNS Number: 94-199-3636

EIN Number: 72-6000794

CFDA or

Other

**Program Name/Title
and Cluster Name**

Identifying No.

Federal Grantor

Project Name

Outstanding Loan Balance
\$

Total

\$

Name of Entity: Louisiana State Board of Practical Nurse Examiners
Schedule 8 - 1: Schedule of Fixed Price Contracts
FYE June 30, 2008

ISIS Agency Number: Not applicable
Preparer: Cialra Doody Glaviano
Phone Number: (504) 838-5734
DUNS Number: 94-199-3636
EIN Number: 72-6000794

Federal Grantor	Pass-Through Entity	Program Name/Title and Cluster Name	CFDA or Other Identifying No.	Pass-through Entity's Number	Project Name	Award ID Number	Award Period	Revenues
-----------------	---------------------	-------------------------------------	-------------------------------	------------------------------	--------------	-----------------	--------------	----------

Direct Awards: NONE

\$ 0

Awards From a Pass-Through Entity: NONE

\$ 0

Total \$

See instructions for completing this form beginning on page 9 of the instructions.

Federal Grantor = the federal agency that provided the federal award.

Pass-Through Entity = the quasi-public agency, local government, non-profit organization, other state government, public college or university in another state, et cetera, that provided the federal award to carry out the federal program, if applicable.

Program Name/Title and Cluster Name = the program name from the CFDA catalog; if not available, the name should be taken from the federal award document; the cluster name should come from these instructions if a program falls within a cluster.

CFDA or Other Identifying No. = this number should be presented on the federal award document; if a CFDA number is not available, an other identifying number, along with a 2-digit federal agency prefix, must be included; i.e., federal award no., etc.

Pass-Through Entity Number = identifying number assigned by the pass-through entity, if applicable.

Project Name: = the name of the grant or project as identified in the accounting records; if the project name is the same as the program, enter SAME.

Award ID = the grant, contract, etc., number that was assigned by the Federal grantor; this number is the number that is used when corresponding with the grantor.

Award Period = the period during which the assistance is available to your entity.

Revenues = the amount of revenues received during the year under fixed-price contracts.

Name of Entity: Louisiana State Board of Practical Nurse Examiners
Schedule 8 Reconciliation to Financial Statements - Example Format for ISIS Agencies
FYE June 30, 2008

ISIS Agency Number: NOT APPLICABLE _____

Preparer: CLAIRE DOODY GLAVIANO

Phone Number: (504)838-5734

**Reconciliation of
Schedule 1 to Schedule 8
For The Year Ended June 30, 2008**

Total Federal Expenditures per Schedule 8 NONE \$ _____

Plus: Current Year 13th Period Expenditures (7/1/0X - 8/14/0X) _____

Less: Current Year Indirect Cost not recorded in AFS Org \$ _____
Prior Year 13th Period Expenditures (7/1/0X - 8/14/0X) _____
Prior Year Indirect Cost Reported on CY Schedule 8 (7/1/0X - 8/14/0X) _____

Total ISIS Expenditures at 8/14 Current Year NONE _____

Other Reconciling Items(s) ***
(Describe) _____

Total Revenue per Schedule 1, Col. V, line 4 \$ _____

*** Other Reconciling Items will be specific to your agency

Schedule 8-3 Form

Finding Title: NONE

Reference Number(s): _____
(from attached schedule of findings, may include more than one)

Single Audit Report Year: _____

Initial Year of Finding: _____

Amount of Questioned Costs in Finding (if applicable): \$ _____

Page Number (from Single Audit Report): _____

Program Name(s): _____

Federal Grantor Agency: _____

CFDA Number(s): _____

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	_____	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133 Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: CLAIRE DOODY GLAVIANO

Phone Number: (504)838-5734

Name of Entity: LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
Schedule 8 - 4: Schedule of Non-State Sub-recipients of Major Federal Programs
FYE June 30, 2008

ISIS Agency Number: NOT APPLICABLE
Preparer: CLAIRE DOODY GLAVIANO
Phone Number: (504)838-5734

EIN Number: 72-6000794

DUNS Number: 94-199-3636

Federal Grantor and CFDA or Other Identifying No.	Award or Subaward Number	Project Number	Major Program Name and Cluster Name, when applicable	Amount of Major Program Funds Disbursed to	
				Non-State Subrecipient	Non-State Subrecipient

\$

Sub-total \$

Total \$

NOTE: Please provide subtotals by program on the schedule.

See instructions for completing this form beginning on page 35 of the Instructions.

CFDA or Other Identifying No. = number in the Catalog of Federal Domestic Assistance (CFDA) that identifies the federal program; if a CFDA number is not available, an other identifying number along with the 2-digit federal agency prefix should be assigned to the program to identify it; the number should appear on the attached list of major programs.

Major Program Name and Cluster Name = the name of the major federal program from which the funds were passed through to the secondary sub-recipient; the cluster name should be presented if the program is a part of a cluster as designated by OMB.

The program name and cluster name, if applicable, should appear on the attached list of major programs.

Amount of Major Program Funds Disbursed to Non-State Subrecipient = the amount of the major program funds passed through to a non-state subrecipient.

Non-State Subrecipient = the unit of local government, the public non-Louisiana college or university (University of Georgia), the unit of state government other than the State of Louisiana, or the name of the quasi-public agency to which the major program funds were passed through in a subrecipient relationship.

Name of Entity: LOUISIANA STATE BOARD OF PRACI
Schedule 8 - 5: Schedule of State Agency, Hospital, College, and University Sub-Recipients of Federal Programs
FYE June 30, 2008

ISIS Agency Number: NOT APPLICABLE
Preparer: CLAIRE DOODY GLAVIANO
Phone Number: (504)838-5734
EIN Number: 72-6000794
DUNS Number: 94-199-3638

Federal Grantor and CFDA or Other Identifying No.	Award or Sub-award Number	Project Number	Federal Program Name and Cluster Name, when applicable	Amount of Federal Program Funds Disbursed to State Agency, Hospital, College, or University	Name of State Agency, Hospital, College or University Sub-recipient
NONE					

\$

Sub-total \$

Total \$

NOTE: Please provide subtotals by program on the schedule.

See instructions for completing this form beginning on page 41 of the Instructions.

CFDA or Other Identifying No. = number in the Catalog of Federal Domestic Assistance (CFDA) that identifies the federal program; if a CFDA number

is not available, an other identifying number along with the 2-digit federal agency prefix should be assigned to the program to identify it

Federal Program Name and Cluster Name = the name of the federal program from which the funds were passed through to the state agency, board, commission, or other component unit
subrecipient; the cluster name should be presented if the program is a part of a cluster as designated by OMB; the program name and
cluster name if applicable.

State Agency = a state department, agency, board, commission, or other component unit

Amount of Federal Program Funds Disbursed to State Agency, Hospital, College, or University = the federal dollars passed through to a
state department, agency, board, commission, other component unit, hospital, college, or university.